

Washington State Legislature

December 13, 2021

Governor Jay Inslee Office of the Governor P.O. Box 40002 Olympia, WA 98504-0002

Rep. Laurie Jinkins Speaker of the House Washington State House of Representatives Capitol Building | LEG 339C Olympia, WA 98501

Sen. Andy Billig Senate Majority Leader Washington State Senate Capitol Building | LEG 307 Olympia, WA 98501

Dear Governor Inslee, Speaker Jinkins and Majority Leader Billig:

Like you, we are hearing from people across the state who do not support the new long-term care insurance program and payroll tax. More than 443,000 workers have attempted to escape the program through an exemption, while thousands more wanted to opt-out but were unable to secure a qualified policy by the deadline. We also understand that many workers will not be aware of the new payroll tax until they see it come out of their paychecks.

The anger and confusion surrounding this policy does not surprise us. In the November 2019 general election, nearly 63% of voters said House Bill 1087 should be repealed through Advisory Vote No. 20. This sent a strong message at the time, and negative sentiment has only grown as people have learned more about the program and tax.

We want to be clear where we stand on this issue: We believe the program and tax should be fully repealed. The program is fundamentally unfair, the tax is regressive, and the system is fiscally unsound. Credible legal challenges have also raised important questions and added even more uncertainty to the situation.

While everyone agrees there are serious flaws and reforms are necessary, we do not believe any legislative actions can make the program or tax fair and equitable. Moreover, we fear a bailout or other changes could result in even more unintended consequences for workers.

The Legislature created these problems, and it should address them in the legislative arena. If it is your intention to delay the implementation of the premium assessment through April 2022, the Legislature should pass legislation to do so – even if it means a one-day special session before January 1, 2022. We would support that decision and outcome.

We are also prepared to assist in suspending the rules to pass a reform or delay bill in the first week of the 2022 legislative session, should that legislation be in the best interest of those negatively impacted by the circumstances at hand. While we support full repeal (House Bill 1594, Senate Bills 5234 and 5503), Republicans have also introduced reform bills (House Bill 1596-1599) that should be considered in the legislative debate.

Since more than 443,000 workers have now voted with their pocketbooks to get out of this program, we now do not support the idea of the governor issuing an executive order to delay implementation – while state lawmakers scramble to fix the problems created during past legislative sessions. This would be yet another example of unbalancing the separation of powers among our branches of government established in the state constitution.

The warnings of minority Republicans were rejected with the passage of House Bill 1087 in 2019. Voter sentiment on this bill was ignored later that year. Republicans sounded the alarm again in the debate on House Bill 1323 this year. The minority party, workers, businesses, and editorial boards continued to voice their concerns in the 2021 interim. We hope you will listen to us now.

Sincerely,

Representative JT Wilcox

+T. Willy

House Republican Leader

Senator John Braun

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Senate Republican Leader

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